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Sixty-eighth Legislative Assembly of North Dakota FIRST DRAFT:
Prepared by the Legislative Council staff for the Legislative Management
October 2023

Introduced by

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2023.

Legislative Management

1 A BILL for an Act to reenact portions of Senate Bill No. 2015, as approved by the sixty-eighth 2 legislative assembly, to provide an appropriation to the legislative assembly for the payment of 3 dues and the legislative council for the payment of fees and employer retirement contributions; 4 to amend and reenact section 24-02-37.3 of the North Dakota Century Code, as amended by 5 section 10 of House Bill No. 1012, as approved by the sixty-eighth legislative assembly, relating 6 to budget section approval limits for the flexible transportation fund; to provide for a legislative 7 management study; to provide for a legislative management report; to provide for retroactive 8 application, and to provide an effective date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. REENACTMENT. The portion of Senate Bill No. 2015, as approved by the sixty-eighth legislative assembly, and published in part in section 4 of chapter 47 of the 2023 Session Laws, is reenacted as follows:

ASSEMBLY. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$5,000, or so much of the sum as may be necessary, to the legislative assembly for international legislators' forum dues for the period beginning with the effective date of this section, and ending June 30,

SECTION 4. APPROPRIATION - 2021-23 BIENNIUM - LEGISLATIVE

SECTION 2. REENACTMENT. The portion of Senate Bill No. 2015, as approved by the sixty-eighth legislative assembly, and published in part in section 6 of chapter 47 of the 2023 Session Laws, is reenacted as follows:

SECTION 6. APPROPRIATION - LEGISLATIVE COUNCIL - REPORT
ONE-TIME FUNDING. There is appropriated out of any moneys in the general fund in
the state treasury, not otherwise appropriated, the sum of \$500,000, or so much of the

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sum as may be necessary, to the legislative council for the purpose of contracting for a performance audit of the state auditor and for other consulting services of interim committees, for the biennium beginning July 1, 2023, and ending June 30, 2025. The chairman of the legislative management shall arrange for the audit and receive the audit report. The performance audit must address the efficiency and effectiveness of the state auditor's office relative to industry best practices. The performance audit must include a review of the appropriateness of the number of hours to complete audits; methods used to monitor staff time and allocate hours charged to audits; billing processes; quality assurance processes; the adequacy and timeliness of communications with audited entities, governing boards, and the public; and other areas as determined by the chairman of the legislative management. The funding provided in this section is considered a one-time funding item. SECTION 3. REENACTMENT. The portion of Senate Bill No. 2015, as approved by the sixty-eighth legislative assembly, and published in section 9 of chapter 47 of the 2023 Session Laws, is reenacted as follows: **SECTION 9. APPROPRIATION - LEGISLATIVE COUNCIL - EMPLOYER RETIREMENT CONTRIBUTION FUNDING.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$58,283, or so much of the sum as may be necessary, to the legislative council for the purpose of providing funding for the cost of the one percent employer retirement contribution increase included in House Bill No. 1040, as approved by the sixty-eighth legislative assembly, for the biennium beginning July 1, 2023, and ending June 30, 2025.

SECTION 4. REENACTMENT. The portion of Senate Bill No. 2015, as approved by the sixty-eighth legislative assembly, and published in section 31 of chapter 47 of the 2023 Session Laws, is reenacted as follows:

SECTION 31. AMENDMENT. Section 24-02-37.3 of the North Dakota Century Code, as amended by section 10 of House Bill No. 1012, as approved by the sixtyeighth legislative assembly, is amended and reenacted as follows:

> **SECTION 10. AMENDMENT.** Section 24-02-37.3 of the North Dakota Century Code, as created by section 1 of Senate Bill No. 2113, as approved

1 by the sixty-eighth legislative assembly, is amended and reenacted as 2 follows: 3 24-02-37.3. Flexible transportation fund - Budget section 4 approval - Report. 5 There is created in the state treasury the flexible transportation fund. 6 The fund consists of eligible federal or state funding and any contributed 7 private funds. 8 1. The flexible transportation fund must be administered and expended 9 by the director and may be used for the following: 10 a. Providing a match for federal funding obtained by the department 11 of transportation. 12 b. State-funded road and bridge construction and maintenance, 13 and transportation support costs including staffing, facilities, and 14 operational expenditures on the state highway system. 15 State-funded road and bridge construction and maintenance 16 activities within the state but off of the state highway system. The 17 director shall establish the terms and provisions of the program. 18 2. All money derived from the investment of the flexible transportation 19 fund or any portion of the fund, must be credited to the flexible 20 transportation fund. The director shall monthly transmit all moneys 21 collected and received under this chapter to the state treasurer to be 22 transferred and credited to the flexible transportation fund. 23 3. The director must receive budget section approval for any project that 24 utilizes more than ten million dollars from the fund except for projects 25 that match federal or private funds and the amount utilized from the 26 fund is fifty percent or less of total project costs. Any request 27 considered by the budget section must comply with section 28 54-35-02.9. 29 4. The director shall allocate at least twenty-five percent of motor vehicle 30 excise tax collections deposited in the flexible transportation fund

1		purs	suant to section 57-40.3-10 for non-oil-producing county and
2		tow	nship road and bridge projects as follows:
3		a.	The funds must be allocated by the department to counties for
4			projects or grants for the benefit of counties and organized and
5			unorganized townships;
6		b.	The department shall establish criteria to distribute the funds;
7		C.	The funds must be used for the maintenance and improvement
8			of county and township paved and unpaved roads and bridges;
9		d.	Priority must be given to projects that match federal funds and to
10			projects that improve roadways that serve as local corridors;
11		e.	An organized township is not eligible to receive funding if the
12			township does not maintain any roadways or does not levy at
13			least eighteen mills for general purposes; and
14		f.	For purposes of this subsection, "non-oil-producing county"
15			means a county that received no allocation of funding or a total
16			allocation of less than five million dollars under subsection 2 of
17			section 57-51-15 in the most recently completed even-numbered
18			fiscal year before the start of each biennium.
19	5.	The	director shall provide periodic reports to the budget section
20		rega	arding the status of the fund and projects receiving allocations
21		fron	n the fund.
22	SECTION 5. REENACTMENT. The portion of Senate Bill No. 2015, as approved by the		
23	sixty-eighth legislative assembly, and published in section 62 of chapter 47 of the 2023 Session		
24	Laws, is reenacted as follows:		
25	SECTION 62. LEGACY FUND EARNINGS - REPORT TO LEGISLATIVE		
26	MANAGEMENT. Each biennium, the state retirement and investment office shall		
27	provide a report including the amount of legacy fund earnings above the percent of		
28	market value that would have been transferred to the legacy earnings fund had Senate		
29	Bill No. 2330 not been passed by the sixty-eighth legislative assembly to the legislative		
30	management.		

SECTION 6. REENACTMENT. The portion of Senate Bill No. 2015, as approved by the sixty-eighth legislative assembly, and published in section 63 of chapter 47 of the 2023 Session Laws, is reenacted as follows:

TORNADO FUND AND STATE BONDING FUND ADMINISTRATION. During the 2023-24 interim, the legislative management shall consider studying, in collaboration with the insurance commissioner and the director of the office of management and budget, the feasibility and desirability of changing administration of the state fire and tornado fund and state bonding fund from the insurance commissioner to the director of the office of management and budget. The study must include an analysis of the statutory changes necessary to accomplish the change in administration and other statutory changes necessary to facilitate the office of management and budget's administration of these funds. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-ninth legislative assembly.

SECTION 7. REENACTMENT. The portion of Senate Bill No. 2015, as approved by the sixty-eighth legislative assembly, and published in section 64 of chapter 47 of the 2023 Session Laws, is reenacted as follows:

SECTION 64. LEGISLATIVE MANAGEMENT STUDY - MANAGEMENT AND MAINTENANCE OF STATE FACILITIES.

- During the 2023-24 interim, the legislative management shall consider studying the policies and procedures of state agencies, excluding institutions under the control of the state board of higher education, for managing, maintaining, and leasing state facilities.
- 2. The study must include consideration of:
 - a. The most efficient and cost-effective organizational structure for managing, maintaining, and leasing state facilities, including a comparison of allocating funding and full-time equivalent positions to various agencies and centralizing funding and full-time equivalent positions under one agency.
 - b. The costs and benefits of leasing or owning state facilities.

1	c. The appropriate use of contracts for service and full-time equivalent		
2	positions for custodial services, mechanical services, snow removal, lawn		
3	care, and maintenance.		
4	3. The legislative management shall report its findings and recommendations,		
5	together with any legislation required to implement the recommendations, to the		
6	sixty-ninth legislative assembly.		
7	SECTION 8. REENACTMENT. The portion of Senate Bill No. 2015, as approved by the		
8	sixty-eighth legislative assembly, and published in section 65 of chapter 47 of the 2023 Session		
9	Laws, is reenacted as follows:		
10	SECTION 65. LEGISLATIVE MANAGEMENT STUDY - GUARDIANSHIP		
11	PROGRAMS. During the 2023-24 interim, the legislative management shall study the		
12	state's guardianship programs. The study must include consideration of the existing		
13	structure for the programs under the office of management and budget, judicial		
14	branch, and department of health and human services; the feasibility of consolidating		
15	the programs under one agency; and an appropriate level of funding for the programs.		
16	The legislative management shall report its findings and recommendations, together		
17	with any legislation required to implement the recommendations, to the sixty-ninth		
18	legislative assembly.		
19	SECTION 9. RETROACTIVE APPLICATION. Section 1 of this Act applies retroactively to		
20	May 10, 2023, and the remainder of this Act applies retroactively to July 1, 2023.		
21	SECTION 10. EFFECTIVE DATE. This Act becomes effective immediately upon its filing		
22	with the secretary of state.		